



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Via Facsimile and First Class Mail
(214) 756-8104

Paul E. Coggins, Esq.
Kelly Vickers, Esq.
Locke Lord LLP
2200 Ross Avenue, Suite 2200
Dallas, Texas 75202

MAR 29 2016

RE: MUR 7027
MV Transportation, Inc.

Dear Mr. Coggins and Ms. Vickers:

On September 19, 2014, the Federal Election Commission ("Commission") received your joint *sua sponte* submission with Messrs. Levy and Shipchandler notifying the Federal Election Commission (the "Commission") of the possibility that your client, MV Transportation, Inc. ("MV"), may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act") in connection with activity between August 24, 2011 and September 27, 2013. After reviewing your submission, the Commission found reason to believe, on March 15, 2016, that MV violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(i) by making contributions, totaling \$43,1000, in the name of another. In addition, the Commission found reason to believe that MV violated 52 U.S.C. §§ 30118(a) and 30119(a) and 11 C.F.R. §§ 110.4(b)(1)(i), 114.2(b) and 115.2 by making prohibited corporate contributions and contributions as a federal contractor. Enclosed is the Factual and Legal Analysis that sets forth the basis for the Commission's determination.

Please note that your client has a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519.

In order to expedite the resolution of this matter, the Commission has authorized the Office of the General Counsel to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Pre-probable cause conciliation is not mandated by the Act or the Commission's regulations, but is a voluntary step in the enforcement process that the Commission is offering to your client as a way to resolve this matter at an early stage and without the need for briefing the issue of whether or not the Commission should find probable cause to believe that your client violated the law.

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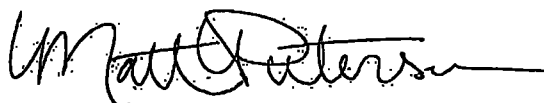
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If your client is interested in engaging in pre-probable cause conciliation, please contact Kimberly Hart, the attorney assigned to this matter, at (202) 694-1650 or (800) 424-9530, within seven days of receipt of this letter. During conciliation, your client may submit any factual or legal materials that you believe are relevant to the resolution of this matter. Because the Commission only enters into pre-probable cause conciliation in matters that it believes have a reasonable opportunity for settlement, we may proceed to the next step in the enforcement process if a mutually acceptable conciliation agreement cannot be reached within sixty days. See 52 U.S.C. § 30109(a), 11 C.F.R. Part 111 (Subpart A). Conversely, if your client is not interested in pre-probable cause conciliation, the Commission may conduct formal discovery in this matter or proceed to the next step in the enforcement process. Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding.

In the meantime, this matter will remain confidential in accordance with 52 U.S.C. §§ 30109(a)(4)(B) and 30109(a)(12)(A) unless your client notifies the Commission in writing that it wishes the matter to be made public. Please be advised that, although the Commission cannot disclose information regarding an investigation to the public, it may share information on a confidential basis with other law enforcement agencies.²

We look forward to your response.

On behalf of the Commission,



Matthew S. Petersen
Chairman

Enclosures
Factual and Legal Analysis

² The Commission has the statutory authority to refer knowing and willful violations of the Act to the Department of Justice for potential criminal prosecution, 52 U.S.C. § 30109(a)(5)(C), and to report information regarding violations of law not within its jurisdiction to appropriate law enforcement authorities. *Id.* § 30107(a)(9).

1 FEDERAL ELECTION COMMISSION

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3 FACTUAL AND LEGAL ANALYSIS

4
5 MUR: 7027

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7 RESPONDENT: MV Transportation, Inc.

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9 I. INTRODUCTION

10 This matter was generated by a joint *sua sponte* submission by MV Transportation, Inc.
11 (“MV”) and R. Carter Pate, MV’s former Chief Executive Officer (“CEO”). The submission
12 notified the Commission that MV reimbursed Pate for six political contributions totaling \$43,100
13 that Pate made to federal candidates and political committees between 2011 and 2013.
14 For the reasons described below, the Commission finds reason to believe that MV violated
15 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(i) by making contributions in the name of
16 another. Further, the Commission finds reason to believe that MV violated 52 U.S.C. § 30118(a)
17 and 11 C.F.R. § 114.2(b) by making prohibited corporate contributions and 52 U.S.C. § 30119(a)
18 and 11 C.F.R. § 115.2(a) by making contributions as a federal contractor.

19 II. FACTUAL BACKGROUND

20 MV is a privately held corporation providing passenger transportation services
21 throughout the United States.¹ Since 2008, MV has contracted with the U.S. Department of
22 Veterans Affairs to provide ambulance services and special needs transportation.² At the time of
23 the joint *sua sponte* submission, Jon Monson served as CEO and on the Board of Directors.³

¹ Amended Submission at 1-2.

² According to www.usaspending.gov, MV Transportation, Inc. was awarded contracts with Veterans Affairs totaling \$611,712 in fiscal year 2011, \$840,000 in fiscal year 2012, and \$6,726,402 in fiscal year 2013. See <https://www.usaspending.gov/transparency/Pages/RecipientSearch.aspx?name=MV> (last accessed Oct. 29, 2015).

³ See Amended Submission at 1.

1 Monson also served as CEO from 1999 through 2011.⁴ MV has since informed the Commission,
2 however, that he is no longer a director of MV.⁵

3 R. Carter Pate became CEO of MV in late 2011.⁶ In that capacity, he also served on the
4 Board of Directors.⁷ Before that, Pate was the Global and U.S. Managing Partner for the Capital
5 Projects, Infrastructure, and Government Practice at PricewaterhouseCoopers.⁸ Pate retired as
6 MV's CEO and Board member in September 2014.⁹ As of September 2014, however, he
7 continued to work with MV as a Strategic Advisor to the Board.¹⁰ Throughout his career as an
8 executive, it appears that Pate had significant experience with federal political campaigns and
9 fundraising.¹¹

10 Brad Cornelsen was CFO of MV.¹² According to the joint *sua sponte* submission, MV
11 terminated Cornelsen's employment in April 2014 for reasons unrelated to the reimbursements at
12 issue in this matter.¹³

⁴ *Id.*

⁵ MV Supp. Submission at 2 (Oct. 9, 2015).

⁶ Amended Submission at 2.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 3.

¹⁰ *Id.*

¹¹ See Memorandum of Investigation, May 30, 2014 Interview of Carter Pate at 2-3, 14 (attached to MV Supp. Submission (March 2, 2015)) ("Pate MOI") (noting that Pate made contributions at PricewaterhouseCoopers, "raised money for John McCain," and "knew how politicians raised money for access"); Memorandum of Investigation, June 2, 2014 Interview of Jennifer Wiley, Chief of Staff to Pate at 5 (attached to MV Supp. Submission (March 2, 2015)) ("Wiley MOI") (noting that Pate "has been actively involved in fundraising and politics for some time," including the McCain, Bush, and Romney campaigns); Memorandum of Investigation, May 22, 2014 Interview of Kevin Klicka at 5 (attached to MV Supp. Submission (March 2, 2015)) ("Klicka MOI") (discussing Pate's involvement in politics and fundraising).

¹² See Amended Submission at 1. The submission does not state when MV hired Cornelsen. See *id.*

¹³ *Id.* at 3.

1 During MV's internal analysis of executive compensation in April 2014, Pate "reported
2 certain unusual executive bonus payments" to the MV Board.¹⁴ The Board then retained a law
3 firm to conduct an internal investigation "regarding the executive bonus payments and other
4 possible financial irregularities."¹⁵ Through this investigation, the Board learned that between
5 2011 and 2013, MV had reimbursed Pate for six federal political contributions totaling
6 \$43,100.¹⁶

7 According to MV, Pate believed that as CEO, he had the authority to make all six federal
8 contributions, and did not seek or obtain approval from the Board or any other MV executive
9 before making them.¹⁷ Further, MV asserts that until the internal investigation, the Board did not
10 know that MV had reimbursed Pate with corporate funds for federal contributions.¹⁸ MV's
11 bonus policy, which MV provided to the Commission, requires that any bonus for executive
12 officers "be in writing in employment agreements," and approved by the Board's Compensation
13 Committee.¹⁹ Nevertheless, MV states that the Board did not approve Pate's bonuses as required
14 under the policy because the reimbursements were not presented to them for approval — no
15 Board members other than Pate and Cornelsen knew that corporate reimbursement for federal
16 contributions had taken place.²⁰ Based on the submission and MV's internal investigation, it
17 appears that Pate did not submit the reimbursements to the Board because he thought that

¹⁴ *Id.* at 2.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ MV Supp. Submission at 2-5 (May 13, 2015).

¹⁸ Amended Submission at 2; MV Supp. Submission at 2 (Oct. 9, 2015).

¹⁹ MV Supp. Submission at 6, Ex. D, MVT-FEC000047 (May 13, 2015).

²⁰ MV Supp. Submission at 2 (Oct. 9, 2015).

1 contribution reimbursements did not require Board approval.²¹ The Commission possesses
2 information, however, suggesting that Pate told Cornelsen that MV's General Counsel and the
3 Board agreed that the contributions were to be reimbursed to Pate on a tax 'gross-up' basis.
4 Although documents MV provided suggest that it was the CFO's responsibility to enforce MV's
5 executive compensation policy,²² it appears that Cornelsen never confirmed that the Board had
6 approved the requested reimbursements.

7 Pate has asserted that he did not understand that corporate reimbursement for federal
8 contributions was improper until an external law firm identified the contributions as an issue.²³

9 **A. RickPerry.org Contribution**

10 On August 24, 2011, Pate made a \$5,000 contribution to RickPerry.org using a check
11 from his personal account.²⁴ Based on the Commission's disclosure records, Pate held this

²¹ MV's internal investigation indicates that Pate thought that MV had a policy on political contributions, but claimed that there was nothing in his employment contract concerning such contributions. See Pate MOI at 4. According to Pate, after a month or two of employment, Monson told Pate that Pate needed to write a check for a supporter of MV in California, but Pate told Monson he did not have the money, and "Carter [sic] said 'we'll reimburse you.'" *Id.* According to Pate, Monson told him to call Cornelsen, who would explain how to get reimbursed. *Id.* Cornelsen informed Pate that the reimbursement procedure was to "write the check, make a copy, email it, and make sure it is documented." *Id.* Pate stated that Monson confirmed that his first contribution reimbursement was correct, and Pate "never gave political contributions a second thought" until MV's General Counsel came into his office "some time ago" and told him there are criminal and civil penalties for political contributions. *Id.* at 14. Pate stated that he received requests to contribute to candidates from MV's Business Development Department and others, and he believed he had authority to do so based on his earlier conversations with Monson. *Id.* at 4-5. Monson, however, did not address this specific conversation in his interview, and MV maintains that Monson was not involved in the reimbursement or approval process for Pate's contributions. See Memorandum of Investigation, May 15, 2014 Interview of Jon Monson (attached to MV Supp. Submission (March 2, 2015)) ("Monson MOI"); MV Supp. Submission at 2 (Oct. 9, 2015). In his interview, Monson recalled a "general conversation with [Pate] at some point about controls of political contributions because a number of people were making them again, which was a problem because some jurisdictions had contribution limits." Monson MOI at 5. Monson further asserted that he believed that MV's policy was that the CEO had to approve all contributions, and the company did not reimburse political contributions unless the company was entitled to make the contributions itself. *Id.* at 4-5. Monson stated that he "did not know about" federal contributions, but also that he could "count on one hand the number of times the company has made federal contributions." *Id.* at 5.

²² See MV Supp. Submission at 6, Ex. E, MVT-FEC000048-49 (May 13, 2015) (memorandum to Cornelsen dated July 28, 2013, reinforcing MV's policy that Cornelsen should obtain the Board's approval of executive bonus payments through the Board's Secretary).

²³ See Amended Submission at 2.

²⁴ MV Supp. Submission at 2, Ex. A, MVT-FEC000009 (May 13, 2015).

1 account jointly with his wife Angela, and half of the contribution was reattributed to her.²⁵ As
2 noted above, according to MV's submission, Pate believed that as CEO, he had the authority to
3 make the contributions, and did not seek or obtain approval from the Board or any other MV
4 executive before making the RickPerry.org contribution.²⁶ It appears, however, that Monson,
5 MV's then-Chairman of the Board, Kevin Klicka, MV's then-Chief Operating Officer ("COO"),
6 and David Smith, MV's then-Vice President of Business Development, knew of the contribution.
7 Specifically, it appears that Monson, with Klicka's assistance, sent Smith to represent MV at an
8 October 4, 2011, RickPerry.org fundraising event using Pate's contribution as the ticket fee.²⁷

9 On November 15, 2011, Pate sent an email to his then-assistant, Jo Cobb, asking that she
10 provide a copy of the check to Cornelsen for reimbursement.²⁸ Pate sent a copy of this email to
11 Cornelsen.²⁹ MV states that the documentation regarding the reimbursement cannot be located
12 in its payroll records.³⁰ Nevertheless, MV asserts that it reimbursed Pate for the contribution.³¹

²⁵ See RickPerry.org Amended 2011 Oct. Quarterly Rpt. at 2,286 (Nov. 4, 2011) (reporting reattribution of \$2,500 of Robert Pate's \$5,000 contribution to Angela Pate on August 29, 2011).

²⁶ MV Transportation Supp. Submission at 2-5 (May 13, 2015).

²⁷ *Id.* at Ex. A, MVT-FEC000005-07. On September 19, 2011, in response to an email invitation to a Perry fundraising event by Jay Adair, Monson stated, "Carter [Pate] has maxed out his contributions to Perry but we want to support you and your fundraiser. We will send David Smith, our VP of Business Development, to your function. I want to thank you for your past efforts to support MV and we are pleased to support your efforts on behalf of Gov. Perry." *Id.* at Ex. A, MVT-FEC000006. Smith then contacted Klicka to ask whether he needed to bring a check to the event. *Id.* Klicka instructed Smith to fill out the fundraising event form but "Carter [Pate] says everything else is ok and you shouldn't have to bring a check." *Id.* at Ex. A, MVT-FEC000005. Klicka then forwarded the completed form to Pate, asking "does this work?" *Id.* It appears that Smith was able to forgo the \$1,000 ticket price by stating that he was attending on behalf of Pate, who had given the "maximum contribution." See *id.* at Ex. A, MVT-FEC000003. Neither Pate nor Smith signed the form, which included a statement that corporate contributions and contributions by federal contractors are prohibited. *Id.* During MV's internal investigation, Pate stated that he did not remember a specific conversation with Monson about the RickPerry.org contribution, and denied ever seeing the form or a similar one. See Pate MOI at 10. Klicka denied having any knowledge that Pate was reimbursed. See Klicka MOI at 5.

²⁸ MV Supp. Submission at 2, Ex. A, MVT-FEC000008 (May 13, 2015).

²⁹ MV Supp. Submission at 2, Ex. A, MVT-FEC000008 (May 13, 2015).

³⁰ *Id.* at 2.

³¹ *Id.*

B. Mica for Congress Contribution

On December 5, 2011, Pate made a \$5,000 contribution to Mica for Congress using a check from his personal checking "special account."³² Pate made this contribution in connection with his attendance at a Mica for Congress fundraising breakfast on December 8, 2011.³³

On December 16, 2011, MV made a bonus payment to Pate via ACH electronic transfer in the gross amount of \$8,925.³⁴ MV states that this represented a net payment of \$7,000 to Pate, \$5,000 of which constituted a reimbursement for Pate's contribution.³⁵

C. Pete Sessions for Congress Contributions

On April 24, 2012, Pate made a \$5,000 contribution to Pete Sessions for Congress using two \$2,500 checks from his personal checking "special account."³⁶ Additionally, on September 27, 2013, Pate made a \$2,600 contribution to Pete Sessions for Congress.³⁷ The Commission's disclosure records, however, indicate that Pete Sessions for Congress attributed \$1,300 of this contribution to Pate and \$1,300 to his wife.³⁸ Pate recalled that he had previously reached out to Representative Sessions concerning MV, and Sessions later contacted him asking for support of

³² MV Supp. Submission at 2, Ex. A, MVT-FEC000001 (May 13, 2015); Mica for Congress Amended 2011 Year-End Rpt. at 30-31 (May 5, 2012) (reporting receipt of two \$2,500 contributions on December 19, 2011).

³³ MV Supp. Submission at 2-3 (May 13, 2015). During MV's internal investigation, Pate asserted that he had never seen the brochure for the breakfast, which stated that corporate contributions were prohibited. MV Supp. Submission at Ex. A, MVT-FEC000002 (May 13, 2015); Pate MOI at 9-10.

³⁴ MV Supp. Submission at 3 (May 13, 2015).

³⁵ *Id.*

³⁶ *Id.* at 3, Ex. A, MVT-FEC000011; Pete Sessions for Congress 2012 Pre-Primary Rpt. at 9 (May 16, 2012) (reporting receipt of two \$2,500 contributions on May 5, 2012).

³⁷ MV Supp. Submission at 4-5 (May 13, 2015).

³⁸ See Pete Sessions for Congress 2013 Oct. Quarterly Rpt. at 56-57 (Oct. 15, 2013). MV did not provide a copy of this check, but did provide a copy of the check ledger for the contribution. MV Supp. Submission at 3, Ex. A, MVT-FEC000017 (May 13, 2015). The ledger has a hand-written "reimbursed" notation. *Id.*

1 his re-election campaign.³⁹ Pate further stated that he wanted to give his support as a “business
2 decision,” and Cornelsen would have known about the contributions.⁴⁰

3 On April 24, 2012, Pate’s then-assistant Francesca Flemming sent an email to Cornelsen
4 requesting reimbursement for the first two \$2,500 contributions.⁴¹ On April 27, 2012, MV made
5 a bonus payment to Pate via ACH electronic transfer in the gross amount of \$6,078.⁴² MV states
6 that this amount represented a net payment to Pate of \$5,000.⁴³ On September 27, 2013, Pate
7 requested reimbursement for the third \$2,600 contribution.⁴⁴ On the same day, MV made a
8 bonus payment to Pate via “manual check,” which it states represented a net payment of
9 \$2,600.⁴⁵

10 **D. Cantor for Congress Contribution**

11 On June 20, 2012, Pate made a \$500 contribution to Cantor for Congress using a check
12 from his personal checking “special account.”⁴⁶

³⁹ Pate MOI at 10.

⁴⁰ *Id.*

⁴¹ MV Supp. Submission at 3, Ex. A, MVT-FEC000010 (May 13, 2015).

⁴² *Id.* at 3.

⁴³ *Id.*

⁴⁴ *Id.* at 5, Ex. A, MVT-FEC000018-19. On September 26, 2013, Cornelsen requested that Payroll “gross up a check based on a net amount of \$2,600” that day. *Id.* at Ex. A, MVT-FEC000019. An individual from Payroll replied that grossed-up checks had to be “manual checks” in order to ensure the accuracy of taxes, and that she would contact Pate’s assistant to have the check printed and delivered to Pate. *Id.* at Ex. A, MVT-FEC000018. Cornelsen then asked, “Did bonus go out as well?” to which Payroll stated “Yes the bonus went out as direct deposit.” *Id.* Although MV originally informed the Commission that Pate was reimbursed via ACH electronic transfer like the other reimbursements, it now states that, upon further review, Pate’s payroll records “reflect that he received a bonus via direct deposit to which he was entitled under his employment contract on or about the same day that he was reimbursed for the \$2,600 contribution to Congressman Sessions via manual check.” See MV Supp. Submission at 2 (Oct. 9, 2015).

⁴⁵ MV Supp. Submission at 5 (May 13, 2015); MV Supp. Submission at 2 (Oct. 9, 2015).

⁴⁶ MV Supp. Submission at 3, Ex. A, MVT-FEC000014 (May 13, 2015); Cantor for Congress 2012 Oct. Quarterly Rpt. at 95 (Oct. 15, 2012) (reporting receipt of \$500 contribution on July 13, 2012).

On June 25, 2012, Flemming sent an email to Cornelsen asking for reimbursement of the contribution.⁴⁷ On the same day, Cornelsen sent an email to an individual who worked in Payroll approving Pate's request.⁴⁸ On June 29, 2012, MV made a bonus payment to Pate via ACH electronic transfer in the gross amount of \$38,969.⁴⁹ MV states that this bonus included a \$507.35 "grossed up" reimbursement of the \$500 contribution.⁵⁰

E. Romney Victory Contribution

On September 10, 2012, Pate made a \$25,000 contribution to Romney Victory, Inc., a joint fundraising committee.⁵¹ MV states that contribution was made in connection with Pate's attendance at a Romney campaign event.⁵²

On August 31, 2012, Flemming sent an email to Cornelsen requesting advance payment to Pate for the contribution.⁵³ On September 4, 2012, Cornelsen sent an email requesting that Payroll "gross up 25k to Carter Pate today."⁵⁴ On September 5, 2012, MV made a bonus

⁴⁷ MV Supp. Submission at 4, Ex. A, MVT-FEC000012 (May 13, 2015).

⁴⁸ *Id.* Handwriting on the email states that a "gross \$507.35" equals a "net \$500." MV Supp. Submission at Ex. A, MVT-FEC000012 (May 13, 2015).

⁴⁹ *Id.* at 4.

⁵⁰ *Id.*

⁵¹ MV Supp. Submission at 4 (May 13, 2015); Romney Victory, Inc. Amended 2012 Oct. Quarterly Rpt. at 25,211 (June 15, 2013) (reporting receipt of \$25,000 contribution on September 24, 2012). MV did not provide a copy of this check, but did provide a copy of the check ledger for the contribution. MV Supp. Submission at 3, Ex. A, MVT-FEC000022 (May 13, 2015). The ledger has a hand-written "reimbursed" notation. *Id.*

⁵² *Id.* at 4. During MV's internal investigation, Pate stated that he wanted access to certain state transportation secretaries who were attending the event, but could not recall who initially suggested his attendance and did not discuss his attendance with anyone at the company prior to attending the event. Pate MOI at 11. However, emails included in the submission suggest that he discussed the event with Flemming and Cornelsen. Within 15 minutes of Flemming's request to Cornelsen for advance reimbursement of the \$25,000 contribution, Pate responded to clarify that Flemming had meant "secretaries of transportation" when she had written that there would be three secretaries of state attending. MV Transportation Supp. Submission at Ex. A, MVT-FEC000023 (May 13, 2015).

⁵³ *Id.* at 4, Ex. A, MVT-FEC000020-21.

⁵⁴ *Id.* at Ex. A, MVT-FEC000020.

1 payment to Pate via ACH electronic transfer in the gross amount of \$36,977.⁵⁵ MV states that
2 this amount represented a net payment of \$25,000 to Pate.⁵⁶

3 III. LEGAL ANALYSIS

4 A. There is Reason to Believe that MV Violated 52 U.S.C. § 30122 and 11 C.F.R. 5 § 110.4(b)(1)(i) by Making Contributions in the Name of Another

6 The Federal Election Campaign Act of 1971, as amended, (“the Act”) prohibits a person
7 from making a contribution in the name of another or knowingly permitting his or her name to be
8 used to effect such a contribution.⁵⁷ The term “person” for purposes of the Act and Commission
9 regulations includes corporations.⁵⁸

10 Principals are liable vicariously for the acts of their agents committed within the scope of
11 agency.⁵⁹ The record indicates that Pate believed that he had authority to make federal political
12 contributions as MV’s CEO, and made the contributions as “business decisions” to benefit the
13 company.⁶⁰ Moreover, Cornelsen, as CFO, and other agents of MV approved and issued the
14 reimbursements to Pate. Accordingly, based on Pate’s and other MV officers’ statements and
15 actions, the Commission finds reason to believe that MV made contributions in the name of
16 another in violation of section 30122.

55 *Id.* at 4.

56 *Id.*

57 52 U.S.C. § 30122; 11 C.F.R. § 110.4(b)(1)(i)-(ii).

58 *See* 52 U.S.C. § 30101(11); 11 C.F.R. § 100.10.

59 *See* RESTATEMENT (THIRD) OF AGENCY § 7.07; *United States v. Sun-Diamond Growers of Cal.*, 138 F.3d 961 (D.C. Cir. 1998) (affirming criminal convictions against corporation in connection with a contribution reimbursement scheme where officer hid scheme from others in corporation but acted to benefit the corporation); *see, e.g.*, Factual & Legal Analysis at 16, MUR 6922 (ACPAC, *et al.*); Factual & Legal Analysis at 4-5, MUR 6143 (Galen Capital Group, *et al.*).

60 *See* MV Supp. Submission at 2-5, Ex. A (May 13, 2015); Pate MOI at 4-11.

B. There is Reason to Believe that MV Violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b) by Making Corporate Contributions

The Act prohibits corporations from making contributions to a federal political committee other than independent expenditure-only political committees, and further prohibits any officer of a corporation from consenting to any such contribution by the corporation.⁶¹ Here, because MV acknowledges that it made prohibited corporate contributions to candidate committees, the Commission finds reason to believe that they also violated section 30118(a).

C. There is Reason to Believe that MV Violated 52 U.S.C. § 30119(a) and 11 C.F.R. § 115.2 by Making Contributions as a Federal Contractor

The Act prohibits any person who is negotiating or performing a contract with the United States government or any of its agencies or departments from making a contribution to any political party, political committee, federal candidate, or “any person for any political purpose or use.”⁶² Here, government records indicate that MV was a federal contractor pursuant to Commission regulations at the time Pate made the six contributions.⁶³ Accordingly, the Commission finds reason to believe that MV violated section 30119(a).

⁶¹ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b), (e).

⁶² 52 U.S.C. § 30119(a); 11 C.F.R. §§ 115.1, 115.2.

⁶³ See e.g., <https://www.usaspending.gov/transparency/Pages/TransactionDetails.aspx?RecordID=A0B4180D-683C-1D5C-4E62-0D6F255C9975&AwardID=7274808&AwardType=C> (listing a federal contract effective from September 1, 2011, to August 31, 2012); <https://www.usaspending.gov/transparency/Pages/TransactionDetails.aspx?RecordID=BA44EFBC-E579-9DDA-0820-1B3E2B7483C9&AwardID=7274808&AwardType=C> (listing a federal contract effective from September 1, 2012, to August 31, 2013).